LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7013 NOTE PREPARED: Mar 21, 2005 **BILL NUMBER:** SB 306 **BILL AMENDED:** Mar 17, 2005

SUBJECT: Mobile and Manufactured Homes.

FIRST AUTHOR: Sen. Riegsecker

BILL STATUS: 2nd Reading - 2nd House

FIRST SPONSOR: Rep. Neese

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

Summary of Legislation: This bill provides that, for purposes of health and professions and occupations law: (1) a "manufactured home" is a home that conforms to the definition provided under federal law; and (2) a "mobile home" is a home manufactured before the imposition of federal standards. It replaces the term "mobile home park" with "mobile home community". The bill also amends the definition of a "mobile home community" on December 31, 2005.

The bill specifies areas in which a governmental body may not regulate mobile homes and manufactured homes. It provides for regulation of the installation of manufactured homes and mobile homes in mobile home communities. It requires that installations in mobile home communities be performed by licensed installers. The bill allows a mobile home community to modify a location and retain the status that the location possessed under the local ordinance before the modification. It also makes conforming changes.

Effective Date: Upon passage; July 1, 2005.

Explanation of State Expenditures: The bill makes it so that, in a mobile home community, manufactured homes are subject to the same State Department of Health sanitation and safety regulations as mobile homes. It requires the Department of Health to adopt rules to carry out the provisions of this bill. This should have a minimal fiscal impact and any expenditures should be able to be covered within existing levels of appropriations.

Explanation of State Revenues: *Inspection Fee* - The Department of Health collects an inspection fee from mobile home parks every four years. Currently, the fee is \$200 for the first 50 mobile home sites and \$150 for

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every 50 additional sites. The bill adds manufactured homes to be included in the number of sites. If manufactured home sites are not currently being counted by mobile home park owners and this provision leads to additional sites being included in mobile home parks' site counts, the Department could receive additional inspection fee revenue. The Department collected \$11,300 in FY 2003 and \$198,250 in FY 2004 in inspection fee revenue, which is deposited in the state General Fund.

Installer Licensing - For the purpose of manufactured home installer licensing, the bill adds mobile homes that are being installed in a mobile home community to the definition of a manufactured home. The bill also requires persons who install manufactured homes in a mobile home community to be licensed by the Manufactured Home Installers Licensing Board. If additional licenses are sought because of mobile homes being added to the requirement, then the Board could potentially experience an increase in licensing fee revenue.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Health; Manufactured Home Installers Licensing Board.

Local Agencies Affected:

Information Sources:

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